

liens of said Deeds of Trust and Mortgages, liens or other encumbrances, shall be and the same and each of them hereby is preserved and shall pass to and be held by the Beneficiary herein as security for the indebtedness to the Beneficiary herein described or hereby secured, to the same extent that it would have been preserved and would have been passed to and been held by the Beneficiary had it been duly and regularly assigned, transferred, set over, and delivered unto the Beneficiary by separate deed of assignment, notwithstanding the fact that the same may be satisfied and cancelled of record, it being the intention of the parties hereto that the same will be satisfied and cancelled of record by the holders thereof at or about the time of the recording of this Deed of Trust.

36. In the event any one or more of the provisions contained in this Deed of Trust or in the Note or in the Loan Agreement shall for any reason be held to be inapplicable, invalid, illegal or unenforceable in any respect, such inapplicability, invalidity, illegality or unenforceability shall, at the option of the Beneficiary, not affect any other provision of this Deed of Trust, but this Deed of Trust shall be construed as if such inapplicable, invalid, illegal or unenforceable provision had never been contained herein or therein.

37. All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally or sent by telegraph or by registered or certified mail with return receipt requested to any party hereto at its address above stated or at such other address of which written notification has been given to the other party.

38. All of the grants, covenants, terms, provisions and conditions herein shall run with the land and shall apply to, bind and inure to the benefit of, the successors and assigns of the Trustor and the successors and assigns of the Beneficiary.

39. That, if required by Beneficiary, the said Trustor will pay unto the Beneficiary, on the first day of each and every consecutive month, a sum equal to one-twelfth of the annual amount necessary to pay all taxes and assessments against the said mortgaged premises, said monthly sum to be estimated solely by Beneficiary and calculated to be an amount not less than the amount of taxes assessed against said mortgaged premises for the previous year, and if further required by Beneficiary, to pay all insurance premiums in manner and form as provided herein for the payment of taxes and assessments.

40. That, in the event the loan which this Deed of Trust is given to secure is made for the purpose of financing the construction of new buildings or the construction of improvements and/or additions to existing buildings, or the development of the Mortgaged Property, the Trustor, if required by the Beneficiary, expressly agrees to deposit with the Beneficiary or its designated agent an amount of money equal to the difference between the net proceeds of the loan and the total amount, as determined by the Beneficiary, required to fully complete said construction or development in accordance with the plans and specifications heretofore submitted by the Trustor and approved by the Beneficiary. Said amount of money shall be placed by the Beneficiary in a loan fund as designated by the Beneficiary, and the same shall be used by the Beneficiary to pay the costs, charges and expenses incurred in connection with said construction and/or development prior to disbursing of this loan. It is further agreed that in the event said construction or development is not commenced and fully completed on or before the date stated in the Loan Agreement or in the event that the said construction or development work shall cease before full completion and such cessation shall continue for a period of ten (10) days, or if substantial continuous progress shall not be made in such construction or development, then and in any such event the said aggregate sum, principal and interest, mentioned in said Promissory Note, and all monies secured hereby, shall become due and payable forthwith or thereafter, at the option of said Beneficiary; and in the event of such cessation of work upon said construction or development for a period of ten (10) days, or if substantial continuous progress shall not be made in such construction or development, as aforesaid, the Beneficiary may at its option enter into and upon the mortgaged premises and complete said construction or development in such manner as it deems advisable without any interference from the Trustor; the said Trustor hereby giving and granting to the Beneficiary full power and authority to make such entry into and upon said Mortgaged Property, to enter into such contracts or arrangements as may be necessary to complete said construction or development, and to expend any monies remaining in said Loan Fund and in addition any sums of money necessary to complete said construction or development; and any and all monies expended by the Beneficiary in connection with such completion of construction or development in excess of the monies in said Loan Fund shall be added to the said principal debt and shall draw interest at the delinquent rate provided in said Promissory Note, and shall be secured by this Deed of Trust, and shall be payable by the Trustor on demand. The Beneficiary shall have the absolute right to apply any balance of development and/or construction loan funds as a payment toward the development and/or construction loan mortgage and note, and no other party, whether contractor, materialman, laborer, sub-contractor, or supplier, shall have any interest in the development and/or construction loan funds so applied and shall not have any right to garnishee, require, or compel payment thereof toward discharge or satisfaction of any claim or lien which they or any of them have or may have for work performed or materials supplied to the development and/or construction project.

41. That the Trustor will on the request of the Beneficiary furnish a written statement of the amount owing on the obligation which this Deed of Trust secures and therein state whether or not Trustor claims any defenses or offsets thereto.

42. The Trustor covenants, that in the event the ownership of said property or any part thereof becomes vested in a person other than the Trustor, the Beneficiary may, without notice to the Trustor, deal with such successor or successors in interest with reference to this Deed of Trust and the debt hereby secured in the same manner as with the Trustor, and may forbear to sue or may extend time for payment of the debt secured thereby, without discharging or in any way affecting the liability of the Trustor hereunder or upon the debt hereby secured.

43. That this Deed of Trust cannot be changed orally.

44. That if this Deed of Trust is in connection with multiple construction or development loan financing, the Beneficiary agrees it will release from the lien of this Deed of Trust any one or more of the lots described herein, and execute a Request for Partial Reconveyance in connection therewith, upon payment by the Trustor of the sum or sums specified in the schedule of lot releases attached hereto and approved by Trustor and Beneficiary; provided, however, that the Trustor has fully complied with, and is not in default under any of the terms and conditions of the Deed of Trust, Note or the Loan Agreement at the time the payment due for said release is tendered to the Beneficiary, or its assigns, as the case may be, who at that time is the owner and holder of record of said Deed of Trust and Note.

45. Trustor acknowledges that any payments made by it in partial or complete discharge of the loan to any Agent other than the owner and holder of the Deed of Trust and Note of record, as recorded among the Public Records of the jurisdiction in which the Mortgaged Property is situated, shall constitute a payment to the Trustor's Agent and not to the owner and holder of said Note or its agent. In this regard it is understood that until said payment is actually in the possession of the Beneficiary or its assigns, as the case may be, who at that time is the owner and holder of record of said Deed of Trust and Note, said payment shall be deemed not to have been properly made, and Beneficiary shall not be required to request a reconveyance or to release or discharge the Deed of Trust in satisfaction of the obligation pursuant to the provisions of said Deed of Trust and Note.

46. It is further covenanted and agreed by the parties hereto that this Deed of Trust also secures the payment of and includes all future, or further advances as shall be made by the Beneficiary herein or its successors or assigns, to